MINUTES of the FIRST MEETING

of the WATER AND NATURAL RESOURCES COMMITTEE

June 12, 2007 Room 307, State Capitol Santa Fe

The first meeting of the Water and Natural Resources Committee was called to order on June 12, 2007 at 10:10 a.m. by Senator Phil A. Griego, chair, in Room 307 of the State Capitol in Santa Fe.

Present

Sen. Phil A. Griego, Chair Rep. Andy Nuñez, Vice Chair

Rep. Paul C. Bandy Rep. Elias Barela

Sen. Sue Wilson Beffort

Rep. Ray Begaye

Sen. Dede Feldman

Sen. Clinton D. Harden, Jr.

Rep. Dona G. Irwin

Rep. Larry A. Larrañaga

Rep. Kathy A. McCoy

Sen. Cynthia Nava

Sen. Mary Kay Papen

Rep. Mimi Stewart

Advisory Members

Sen. Rod Adair

Sen. Carlos R. Cisneros

Rep. Anna M. Crook

Rep. Nora Espinoza

Sen. Gay G. Kernan

Rep. Ben Lujan

Rep. James Roger Madalena

Sen. Cisco McSorley

Rep. Danice Picraux

Sen. Leonard Lee Rawson

Sen. Nancy Rodriguez

Sen. John C. Ryan

Rep. Henry Kiki Saavedra

Rep. James R.J. Strickler

Rep. Peter Wirth

Absent

Rep. Joseph Cervantes Sen. Mary Jane M. Garcia Sen. Steven P. Neville Rep. Don L. Tripp

> Sen. Vernon D. Asbill Rep. Candy Spence Ezzell Sen. Timothy Z. Jennings Rep. Rhonda S. King Rep. Eric A. Youngberg

Guests

The guest list is in the original meeting file.

Staff

Gordon Meeks Jeret Fleetwood

Tuesday, June 12

Senator Griego began by welcoming members of the committee and the public and by having committee members and staff introduce themselves.

Water Issues for 2007

John D'Antonio, state engineer, and Estevan Lopez, Interstate Stream Commission, provided the committee with an overview of water issues facing New Mexico for 2007. Mr. D'Antonio began by telling the committee that Judge Reynolds had affirmed the state engineer's authority to implement active water resource management (AWRM) rules. He reviewed the AWRM program begun by the Office of the State Engineer (OSE). He explained that the program had recently survived a court challenge and was moving ahead with the hiring of water masters, development of basin-specific rules and regulations and metering of water users on the lower Rio Grande. Mr. D'Antonio also described public outreach efforts the OSE is making regarding AWRM, including listening sessions and public workshops. He also discussed future plans for AWRM, which include metering of water users on the Mimbres River and the Rio Gallinas, licensing of water rights and the hiring of still more water masters and development of manuals for them.

Next, Mr. D'Antonio discussed the status of New Mexico's compliance with the Rio Grande Compact. He explained that the large amount of rainfall received in southern New Mexico left the state with the maximum allowable compact delivery credit of 180,000 acre-feet of water, which should be helpful in case 2007 proves to be a dry year. Mr. D'Antonio also discussed the status of the Pecos River Compact, pointing out that New Mexico also has a compact delivery credit on the Pecos River.

Mr. D'Antonio went on to discuss the status of the pending settlements involving Native American tribes: the *Navajo* settlement, the *Aamodt* settlement and the *Taos* settlement. He indicated that the congressional legislation required for approval of the Navajo-Gallup Project, a major part of the *Navajo* settlement, had been introduced on April 19, 2007 and is awaiting a hearing. Mr. D'Antonio went on to note that the imported water issues in the *Aamodt* and *Taos* settlements have been resolved and that the federal-state cost-sharing agreements still need to be worked out. He also provided the committee with current cost estimates for each of the settlements.

Mr. D'Antonio also discussed the approval of regional and state water plans, acequia construction and management workshops conducted by the OSE, development of a strategic

water reserve, the safety status of New Mexico's dams and the work done toward implementing House Memorial 42 from the 2007 legislative session, which requests the OSE to conduct meetings with water stakeholders concerning the statute requiring 40-year water plans.

Questions and comments included:

- whether AWRM interferes with ongoing water rights adjudications;
- tax credits for water conservation programs;
- uses of the New Mexico Irrigation Works Construction Fund;
- management plans for lands with water rights purchased and retired by the state;
- long-term water supply projects;
- projects to make use of brackish water;
- OSE's use of bond money to pay for recurring expenses in adjudications;
- status and location of dams listed as unsafe by the OSE;
- development of regional water plans;
- allocation of money for adjudications between OSE and the Administrative Office of the Courts:
- status of pending Native American water rights settlements;
- water acquisition for the Desert Rock power plant;
- increases in funding requests by the OSE;
- transfers of water rights to mutual domestic water associations; and
- authority of the OSE to adjudicate water rights.

Senator Griego listed a number of issues he would like to see the committee address, such as concerns voiced by those who refuse to sign on to the *Aamodt* settlement, acequia construction programs, water transfers and licensed water rights. He also indicated that he would like to see a representative from the Governor's Office attend the committee's meetings whenever possible.

Work Plan

The committee developed a work plan and selected meeting dates and locations. Staff noted that the Legislative Council has provided each committee with suggested areas of focus for the interim. The committee also added the following items to the proposed areas of focus:

- status of planning for the Arizona Water Rights Settlement on the Gila River; and
- relationship between water adjudications, active water resource management and water rights transfers.

The committee also proposed the following meeting dates and locations, which staff noted would require the approval of the Legislative Council:

July 16-17 Clovis
August 28-29 Taos
September 24-26 Ruidoso
October 29-30 Aztec
November 26-27 Santa Fe

There being no further business, the committee adjourned at 1:12 p.m.